

State of Delaware Health and Social Services

RFP No. PSC HSS 10-067

State Response to Vendor Questions - Round Two

ID	RFP SECTION	QUESTION	RESPONSE
95.	7.2, Appendix F, Appendix N	<p>Since we submitted our question about Schedule F1 on May 27, 2010, the state issued Addendum 3 and 4, which revised both F1 and Appendix N cost schedules. We believe F1 is for startup costs specific to food supplement program. Will the State please confirm that the "Total Project Cost" listed in Schedule F.1 is specific only to <u>food supplement start-up costs</u>, and the schedules in Section III of Appendix N are the fixed pricing (CPCM) for the ongoing EBT costs (based on case volume)? .</p>	<p>Yes, F1 is only for startup costs specific to Food Supplement Program and section III of Appendix N is for ongoing CPCM pricing.</p>
96.	Appendix F	<p>The narrative following Schedule F1 states: "The modules listed above are those described in the RFP. If a vendor's proposed solution provides the same functionality as described in the RFP, but organizes this functionality in a different combination of modules, the vendor should show its own organization of modules in the above schedule and in Schedules F3 and F4." What relevance do Schedules F3 and F4 have to a vendor proposing an ASP EBT solution using their proprietary system? No software license (F3) will be required and vendors will provide their own support and maintenance (F4) of their overall systems without a fee to the State. We request the State please indicate all schedules in Appendix F other than F1 as non-applicable to an ASP solution.</p>	<p>State agrees.</p>
97.	Appendix N	<p>Regarding TANF pricing. State provided no requirements for the TANF Program in the RFP. Therefore, it is almost impossible for vendors to provide detail to support each implementation stage and provide valid pricing for this program as part of a response to this RFP. An alternative would be to provide the state with TANF pricing as part of a contract amendment when specifications have been agreed upon between the state and the vendor. Will the State disqualify vendors who do not provide TANF pricing in response to this RFP?</p>	<p>No, but bidders are strongly encouraged to fill this out, to the best of their ability, as based on caseload already provided by the State. Bidders should use their standard ASP solution for TANF & WIC for determining their pricing. Use Current prices for our current caseloads and indicate how long estimated prices will be valid.</p>

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98.	Appendix N	Regarding WIC pricing. State provided no requirements for the WIC Program in the RFP and the statistics provided at the Bidder's Conference are from 2006. Therefore, it is almost impossible for vendors to provide detail to support each implementation stage and provide valid pricing for this program as part of a response to this RFP. An alternative would be to provide the state with WIC pricing as part of a contract amendment when specifications have been agreed upon between the state and the vendor. Will the State disqualify vendors who do not provide WIC pricing in response to this RFP?	Please see response 97.
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99.	7.2, Appendix F, Appendix N	<p>Since the state has issued Appendix N, <i>Cost Proposal</i>, and Answers to Questions #1, states both: “The State will permit an ASP solution.” and “The State recognizes that the most significant cost components of this procurement are the services provided after the automated system is implemented.” we have questions regarding the applicability for an ASP solution for EBT services of all the Appendix F, Project Cost Forms, and Section 7.2’s requirement for firm fixed price contract.</p> <p>RFP Section 7.2 states: “Services will be bound by a firm fixed price contract. The firm fixed price will be the Total Cost shown in Schedule F1 (Appendix F).” and Appendix F, Schedule F.1, <i>Project Cost by Deliverables and Milestones</i>, states: “The Total Cost shown in Schedule F1 must include all costs (except out year costs) that the selected vendor will be paid by DHSS. ... Deliverable costs will sum to the Total Project Cost which constitutes the firm fixed price of the contract.”</p> <p>Pricing for an ASP solution for EBT services is based on cost per case month (CPCM). Since the number of cases fluctuates throughout the life of the contract, a firm fixed price contract is not possible with an ASP solution for EBT services.</p> <p>Would the state please confirm that a contract resulting from an ASP solution will not be a firm fixed price contract, but rather a contract with fixed costs based on pricing in Appendix N’s schedules. If the state agrees, we request you amend the Terms and Conditions, Section 7.2 to strike “firm fixed price contract” and replace the reference to F.1 with Appendix N.</p> <p>We understand that the state needs to know what project start up costs will be, but the start up/milestone pricing requested in Appendix F, Schedule F.1 appears to be duplicated in Appendix N’s schedules IV.A, B and C. Will the state please confirm that a vendor proposing an ASP solution must provide pricing</p>	<p>Please see response 95 and 96. Vendors must submit pricing for ongoing services based on a CPCM structure as outlined in Appendix N. Appendix N does not include any forms for startup costs for the Food Supplement Program. Please see updated version of Appendix N on the State RFP website. Bidders must complete Schedule F1 and Appendix N. Schedules F2 through F6 of Appendix F are optional.</p>
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		<p>using the schedules in Appendix N, and is therefore not required to complete any of the Appendix F schedules?</p> <p>If the state will still require an ASP solution vendor to complete some or all of Appendix F schedules, please clarify which Appendix F schedules are required of an ASP solution. Also please explain the difference in the pricing you are seeking in F.1 versus Appendix N’s startup pricing schedules. And if F.2 is also required of ASP solution vendors, please explain the difference between F.2 and Appendix N’s Hourly Rate for Additional EBT Services (both for Hourly Rates)</p>	
100.	Appendix N	<p>Under A.I, Expectations, Number 3 states in part: “The TANF and WIC components may be added at the State’s discretion at a later date of its choosing, at the prices proposed by vendors in response to this cost proposal template.”</p> <ul style="list-style-type: none"> • Please confirm you are requiring vendors to submit TANF and WIC pricing in the EBT (Food Supplement) proposal due June 30, 2010. Or are vendors to leave TANF and WIC pricing blank for now, and use Appendix N as the template for providing TANF and/or WIC pricing in the future when the state decides to implement one or more of these programs? • If the state is requiring vendors to submit TANF and WIC pricing in the proposal due June, 30, 2010, please explain how you expect vendors to determine and commit to pricing for these programs, for which there are many variables, when there are no state requirements, system specifications or timeframes in the current RFP for TANF or WIC? • If the state is requiring fixed pricing for TANF and WIC on June 30, 2010, it may not be in the best interests of the state. Without specifications and timeframes, vendors may have no option but to price the services high to cover unforeseen costs. 	Please see response 97.
101.	Appendix F	<p>In its response to Question ID #1, Delaware stated that:</p> <p>“Implementation including the interface and conversion requirements</p>	Please see response 95 through 99.

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		<p>still includes all the deliverables from Chapter 4 and the project cost schedule F1 which covers implementation costs through the 90 day warranty period. Bidders will provide costs for each of the deliverables listed.”</p> <p>Within Section IV, <i>Start-up pricing for EBT Services/Requirements</i>, within Appendix N, specific deliverables/milestones have been included for each of the EBT programs.</p> <p>Can Delaware please clarify that only the cost schedules included in Appendix N are required to be provided in each bidder’s Business Proposal if they are proposing a traditional vendor-hosted EBT solution?</p>	
102.	Appendix F	Can Delaware please clarify that cost schedules F2 through F6 are to be replaced in the Business Proposal by the cost schedules provided in Appendix N if the bidder is proposing a standard vendor-hosted EBT solution?	Please see response 99.
103.	4.16.10	Can Delaware provide the current interface specification?	ACH file format, as specified by FNS. Interface specifications will be discussed with selected vendor during the design phase.
104.	4.16.8	<p>Does the State currently charge a card replacement fee to food supplement recipients?</p> <p>If so, what is the fee? Does the current EBT Contractor remit the fees on a daily basis back to the State or do they apply the collected fees against the monthly EBT services invoice?</p>	Current replacement fee is \$1; this is submitted Daily and not applied to the invoice.
105.	4.30	Given that Delaware already has high coercivity cards, will the State allow the conversion to the new Delaware EBT card to be handled through attrition or is the State requiring the selected vendor to replace all cards at one time?	EBT card replacement can be handled through attrition.
106.	4.34.5	This section of the RFP states: “An integral part of the project will be to integrate into the new system, historical data from the following existing DHSS system(s):	Disregard specific “windows” mentioned. The only requirement is that the vendor must facilitate testing the interface between their proposed

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		<ul style="list-style-type: none"> - Food Benefit Eligibility System Transaction Windows - Food Benefit Eligibility System Hardship Windows - Food Benefit Eligibility System FSP Authorized Representatives Windows” <p>Can Delaware define what it means by “window“? What specific data is contained within each of the three ‘windows’ listed in this requirement?</p>	EBT system and the DHSS Benefit Eligibility and Issuance system.
107.	4.34.5	<p>In the response to Question ID# 66, the State indicated it is interested in the new Vendor testing so that DCIS II can view EBT Transaction Windows with information gathered from the online administration window.</p> <p>Can Delaware please define what it means by “EBT Transaction Windows“? What specific data is required to be converted from the “EBT Transaction Window“?</p>	Please see response 106.
108.	5.2.3	<p>This section states that strong consideration will be given to how well the costs in the Project Cost Forms compare to the level of effort for this and other proposals along with the accuracy of the submitted figures.</p> <p>Given that the CPCM schedules are more applicable to a standard vendor-hosted EBT solution than the original Project Cost Forms included in the RFP, can Delaware clarify how the new costs schedules included in Appendix N will be evaluated?</p>	Same consideration as Schedule F1.
109.	5.2.3	<p>How will the accuracy of the figures be determined for cost schedules including TANF and WIC CPCM within Section III of Appendix N, <i>Pricing table for EBT Services/Requirements</i>, given that no TANF or WIC detailed requirements were included in the RFP?</p>	Please see response 97.
110.	Appendix F	<p>In the response to Question ID# 59, the State indicated it would purchase three</p>	For activating cards for homeless or hardship cases. Bidders can propose

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		POS machines to for support of hardship cases in each county. Can Delaware explain what those POS machines will be used for?	other solutions for activating cards for homeless and hardship cases.
111.	Appendix N	Please provide the number of WIC approved vendors currently operating in Delaware.	82 authorized vendors.
112.	Appendix N	In Section 4.16.8, the State requires that card replacement fees collected from cardholders be remitted back to the State. The cost schedules for usage fees for TANF only cases includes a line item for replacement card fees. Does the state intend for replacement card fees for TANF only cases to be remitted to the State as required in Section 4.16.8?	Yes. Please see response 104.
113.	General Question	As the project statistics previously requested were not included in Appendix N, as referenced in the State's response to Question ID #71, can Delaware provide it's the following information? <ul style="list-style-type: none"> - Number of EBT-Only retailers - Number of EBT-Only terminals - Average number of monthly cardholder IVR calls - Average number of monthly cardholder CSR calls - Average number of monthly retailer IVR calls - Average number of monthly retailer CSR calls - Monthly Transaction volumes - Monthly adjustment requests - Average number of monthly card replacements - 2009 caseload volumes by month 	April 2010 Figures below: 338 326 5,922 128,295 1,453 1,515 501,668 11 2,276 53,958 (See previous provided charts)